

S. T. & B. N^o. 3.LAND TITLE BUILDING
CHESTNUT-BANSON
AND BROAD STREETS
PHILADELPHIA

to think that such is the status of a merged company in your State, although as to that you know far better than I do. ' N.Y.

It is very doubtful, therefore, whether the Court will not hold that the McCall Company was incorporated after the Act of 13th April, 1905.

A point of still greater difficulty presents itself, growing out of the proviso to the Act of 16th May, 1889, in these words:- "Provided, That this Act shall not apply to private springs or private water supplies." There can be no doubt that even if the Act of 13th April, 1905 does not exclude the taking of land for terminal purposes, it does forbid the appropriation of "streams." If we are subject to the Act, therefore, the land with this stream running thereon, cannot be taken.

I understand from Mr. Beyer that the tract we are taking is a long and narrow one, through which meanders for a very considerable distance, the spring which has its origin on land immediately above, running through the property proposed to be taken, and then through property of ours to the river. He also tells me it is impossible to take a portion of the land intended in such way as not to appropriate this stream.

The Act of 1889 does not authorize the taking of "Streams"; but simply "rivers and creeks." The stream in question cannot be called a creek. Its appropriation is therefore hardly within the right of appropriation of anything other than land for terminal purposes; but

S. T. & B. . . 4.

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the proviso is one which not merely applies to the taking of rivers and creeks; but also applies to the taking of land for any purposes. The prohibition is in the broadest possible words, excluding from the right of eminent domain "private springs or private water supplies."

I do not see how we can escape this proviso. Undoubtedly, the stream in question is a private water supply.

My advice is to obtain leave to take testimony under the answer; to spin along the taking of this testimony for some time; and then to negotiate for private purchase.

I await your instructions, and am

Very truly yours,



Letter Re: Bertron, Storrs & Griscom Control of
Susquehanna Electric Power Company

*Susquehanna Electric
Power Co. 1* 200

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BERTRON, STORRS & GRISCOM
BANKERS

40 WALL STREET NEW YORK LAND TITLE BUILDING
PHILADELPHIA

New York, May 22, 1907.

Henry F. Dimock, Esq., President,
60 Wall St., New York.

Dear Mr. Dimock:-

As you know, we were for some time negotiating with DeVictor in regard to the possibility of clearing up the Susquehanna River situation through them. These negotiations came to naught.

We have now taken an option on the Miller-Surratt properties, otherwise known as the SUSQUEHANNA ELECTRIC POWER COMPANY, which we think will accomplish what we had in view much more economically and effectively. We have asked Mr. Homer to represent us in these negotiations and I wanted to advise you. What this Company does will in no sense be antagonistic to the McCall Ferry interests, as you know but I wanted you to be apprised of the fact and ask you to notify the McCall Ferry attorneys, impressing upon them the great importance of keeping this matter exceedingly quiet. If we acquire these

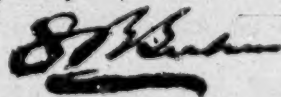
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Henry F. Dimock, Esq., -2-

interests we will want to go ahead and take options at least on certain lands, before the matter becomes public.

We have instructed Mr. Homer to look after the clearing up of the SUSQUEHANNA ELECTRIC POWER situation and to see that nothing is done antagonistic to the McCall Ferry Company. but the actual litigation to which that Company will have to resort will be conducted by Messrs. Bastjer & Surratt, in the course of which it will be necessary to bring suit, we are advised, against the Construction Company, apparently, but not actually hostile to the McCall Ferry interests. After Mr. Homer is thoroughly posted in the matter, ~~he~~ ^{he} will take up the legal aspect of it and keep in touch with Mr. Bartlett in regard to it.

Very sincerely yours,



Consolidation Agreements of 1908

THIS AGREEMENT Made on this, the 20 day of February in the year nineteen hundred and eight, by and among JOEL H. DeVICTOR, acting on behalf of himself and all other shareholders of the SUSQUEHANNA POWER COMPANY, as party of the first part; JOHN HENRY MILLER and WILLIAM H. SURATT, acting on behalf of themselves and their associates controlling the SUSQUEHANNA ELECTRIC POWER COMPANY interests, as parties of the second part; and BERTON, STORRS & GRISCOM, acting on behalf of themselves and shareholders representing a Majority in interest and controlling the McCall Ferry Power Company, as parties of the third part.

WHEREAS the parties hereto have been heretofore interested in attempts to make separate developments upon the Susquehanna River between tide water in the State of Maryland and the foot of Cully's Falls, in the State of Pennsylvania, at the elevation of one hundred and three feet above mean low tide at Havre/de Grace, as defined by bench marks placed by the Columbia and Port Deposit Railroad; and, as a result, have come into conflict the one with the others and serious litigation has resulted; and

WHEREAS it is desirable in the interest of all the parties hereto to avoid further litigation and expense and to consolidate all interests on said River between tide water and the elevation of one hundred and three feet aforesaid, to the end that the power of said River may be developed to the best advantage between these said points;

NOW, THEREFORE, THIS AGREEMENT WITNESSETH In consideration of the premises and the sum of one dollar by each of the parties hereto unto the others in hand paid, the

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receipt whereof is hereby acknowledged, said parties hereby agree as follows:

FIRST: (a) The party of the first part shall be regarded as controlling 30/91 of the interests on said River to be consolidated as aforesaid; (b) the parties of the second ^{SEPCo} part shall be regarded as controlling 23/91 of the interests on said River to be consolidated as aforesaid; and (c) the parties of the third part shall be regarded as controlling 38/91 of the interests on said River to be consolidated as aforesaid and the shares of stock and bonds of the Susquehanna Power Company to be issued and paid for said properties shall each be divided in like proportions among the parties hereto.

Second: All interests controlled by the party of the first part if not now held by the Susquehanna Power Company shall be by appropriate conveyance or legal proceedings conveyed to it, - an approximate schedule whereof is hereto attached marked Exhibit A.

Third: All interests controlled by said parties of the second ^{Miller-Sutton H. SEPCo} part shall be transferred by appropriate conveyances or legal proceedings to the Susquehanna Power Company, - an approximate schedule whereof is hereto attached marked Exhibit B.

Fourth: All interests of the McCall Ferry Power Company in or along the Susquehanna River lying in Maryland shall be by appropriate conveyances or legal proceedings transferred to the Susquehanna Power Company and all interests of the said McCall Ferry Power Company in or along

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the Susquehanna River in the State of Pennsylvania lying below the foot of Cully's Falls shall be by appropriate conveyances or legal proceedings transferred to a corporation now existing or to be hereafter organized under the laws of the State of Pennsylvania, all of whose capital stock shall be transferred to and held by the Susquehanna Power Company, - approximate schedules whereof are hereto attached marked (as to Maryland properties) Exhibit C. and (as to Pennsylvania properties) Exhibit D.

By the expression "all interests" of any of the parties hereto, there is intended to be included all lands now owned directly or indirectly by such parties or their associates which were acquired for purposes of development of the power on the Susquehanna River or to facilitate such development; also all corporations in which they are interested to the extent of such interest and also any lands for which contracts of purchase have been made or options acquired; also all canals, other franchises and rights of whatsoever character and description so long as the same lie between tide water on the Susquehanna River in the State of Maryland and the foot of Cully's Falls in the State of Pennsylvania, which would be necessary, convenient or proper to a development of the power on that River between said two elevations or which might be over-flowed, damaged or affected in any manner by reason of the development of such power between said two points or any part thereof; including, also its interest in the Conowingo Land Company and any and all property and rights owned by the Proprietors of the Susquehanna Canal; as also the shares of said Company and any and all property and rights now or formerly owned by

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the Tide Water Canal Company in Maryland, together with a release, acquittance and discharge in full from the Susquehanna Canal and Power Company in Pennsylvania from and against all damages, injuries or losses incident to the overflow of any of its lands, properties, rights or franchises below the foot of Cully's Falls, - but the parties of the second part shall not thereby be bound to transfer or secure the transfer of the Hugh A. Jones tract above Conowingo Bridge of the land now standing in the name or held by the Continental Trust Company purchased by said Trust Company through E. M. Allen, Junior, about 1902, 1903 or 1904 --- any equity in said properties held by the interests represented by the parties of the second part to be, nevertheless, included in the transfer to be made as aforesaid.

Fifth: The four thousand shares of the capital stock of the Susquehanna Power Company now outstanding shall be surrendered to the Trustees hereinafter mentioned, properly endorsed, for the purpose of cancellation and re-issue in the proportions of 30/91, 23/91 and 38/91 to the parties hereto respectively of the first, second and third parts or their respective nominees; and, in addition thereto, there shall be issued (a) to the said party of the first part, of the issue of ten million dollars of five per cent. first mortgage gold bonds secured by Mortgage of the Susquehanna Power Company to the Girard Trust Company of Philadelphia, such additional amount of bonds as will, together with those already issued equal six hundred thousand dollars par value, upon condition precedent that the said party of the first part and his associates shall have released

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and discharged the property now or heretofore owned by the Susquehanna Power Company of and from all liens or liability other than said Mortgage to the Girard Trust Company and shall have made payment and settlement of all debts and obligations of the Susquehanna Power Company; (b) The said parties of the Second part shall receive of the said five per cent. first mortgage gold bonds four hundred and sixty thousand dollars at the par value thereof when and as soon as the said parties of the second part shall have discharged all liens, claims and balances of purchase money or option contracts, upon the interests which they are to convey under the terms hereof to the Susquehanna Power Company; and (c) the said parties of the third part shall upon delivery of all of the interests as aforesaid controlled and owned by the McCall Ferry Power Company in the State of Maryland and in the State of Pennsylvania and lying in and along the Susquehanna River south of the foot of Cully's Falls free of liens and encumbrances thereon, receive of said five per cent. first mortgage gold bonds seven hundred and sixty thousand dollars at the par value thereof.

It is the intent and purpose of the foregoing paragraph of this Agreement that said bonds shall not be delivered to the respective parties hereunder, until all mortgages, liens, debts, encumbrances, obligations, balance of purchase money's and other option contracts, hereinbefore specified as to be discharged, have been discharged, satisfied and paid by the respective parties hereto.

Sixth: It is furthermore agreed that all of the stock of the Susquehanna Power Company, whether aggregating four thousand shares as hereinbefore mentioned or as may

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happen only two thousand shares, but in any event to include all of the issued and outstanding shares of said Company, shall, less necessary qualification shares be transferred with due and proper endorsements in blank to a Holding Company to be organized having a nominal capital, with full power in said Holding Company vested to have such shares transferred and restored in its name or not at its election or in the name of its nominee or nominees as to it may seem wise and expedient - the shares of such Holding Company to be held by the parties hereto in the same proportions and ratio as they shall under the terms hereof be entitled to hold and receive shares of the capital stock of the Susquehanna Power Company; and it is further agreed that all of the stock of such Holding Company shall until the completion and operation of a development of the power of the Susquehanna River within the limits aforesaid contemplated by this agreement; not to exceed however, a period of ten years, accounting from the day of the date hereof be deposited with Samuel R. Bertron and Joel H. DeVictor as Trustees unless such Trusteeship be sooner terminated by the concurrence of said Trustees or by the vote of a majority of the stock so deposited with them.

Seventh: The Trustees through the control of said Holding Company shall in their discretion either sell from time to time additional first mortgage bonds of the Susquehanna Power Company or borrow on the security thereof to provide additional money to pay for such further lands, properties, developments, improvements, franchises and rights as may from time to time in their judgment be required in order to advance, facilitate and make feasible the pro-

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posed development on the Susquehanna River; as also to pay all engineering, legal and other expenses of the said Susquehanna Power Company or of the Holding Company or of the Trustees hereunder, which may be hereafter incurred with the approval of such Trustees or of the parties hereto or a majority in interest of the parties hereto and to provide moneys to pay the fixed charges, taxes, insurance and other expenses upon said property when and as same shall from time to time accrue, including interest on the bonds from time to time outstanding, in cash or bonds.

Eighth: In addition to the sums hereinbefore provided to be paid in bonds and stocks of the Susquehanna Power Company to the parties of the first, second and third parts respectively there shall be allotted and delivered to the party of the first part \$25,000. par value of the said five per cent. First General Mortgage Gold Bonds of the Susquehanna Power Company in full settlement of all expenses, costs and liabilities incurred by them in reference to the preliminary development of a temporary power plant at the old Paper Millsite in Harford County, Maryland, and the trustees shall have full power and authority, in their discretion to provide in the same manner, as is provided in Paragraph Seven hereof, the necessary moneys to complete said development and to build and construct transmission lines for the marketing of the power so produced, if in the judgment of the trustees hereunder it shall appear wise and for the benefit and advantage of the parties hereto.

Said Trustees shall have, furthermore, full power

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to vote the shares of stock of the said Holding Company deposited with them to carry out any and all of the foregoing purposes; as also to any and all other matters and things which in their judgment may become necessary, proper, expedient, or convenient in order to facilitate and advance the development of the power of the Susquehanna River within the limits aforesaid, being given hereby the broadest and fullest discretion without limitation or restriction of any kind or character whatsoever; provided, however, that no construction contract shall be entered into in such manner as will cause any one share of deposited stock to obtain any advantage or benefit over any of the other deposited shares and provided further that they shall if requested secure the election of as Directors of the Susquehanna Power Company upon the demand of the party of the first part three of his nominees, of the parties of the second part, one nominee and of the parties of the third part three of their nominees.

In the event of the death or resignation of Joel H. De Victor as a Trustee hereunder, Stevenson A. Williams of Bel Air shall be and become substituted as his successor in the trusts and in like manner in the event of the death of Samuel R. Bertron, a member of his firm shall be and become substituted as his successor in the trust hereunder.

The use of the term "Susquehanna Power Company" is for convenience and shall be taken to include any other corporation which the Trustees hereunder may use for the accomplishment of the purposes by this Agreement sought to be obtained.

Obligation of the parties of the third part hereto

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are conditioned upon obtaining releases and other actions by the Trustee of the McCall Ferry Company first mortgage bonds.

AS WITNESS the hands and seals of the parties hereto the day and year first written. The words "in cash or bonds" at the end of paragraph "Seventh" having been interlined prior to the execution hereof.

W.H.S.

Test. as to DeVictor
Miller
Surratt

(Signed) Joel H. DeVictor (Seal)
Acting on behalf of himself
and all other shareholders
of the Susquehanna Power
Company.

(Signed) E. Harvey Welch

(Signed) John Henry Miller (Seal)

(Signed) Wm. H. Surratt (Seal)

Acting on behalf of themselves
and their associates control-
ling the Susquehanna Electric
Power Company interests.

(Signed) Bertron Storrs & Griscom
(Seal)

(Signed) By Rodman E. Griscom
A member of said firm--

Acting on behalf of them-
selves and shareholders
representing a majority
in interest and controlling
the McCall Ferry Power Com-
pany.

EXHIBIT A.

Property and water rights (bed of
river not included), of the
Susquehanna Power Company
in Maryland.

(A.) Harford County:

Acres.

1. Contract for purchase from E. M. Allen
of the Maud Ramsey Landing, 4
2. Contract for purchase from Allen of
the easement to back the river to a
limited extent over the land of
"Harford County Flint Company" 40
3. Hugh A. Jones parcel 40
4. Charles A. Andrew parcels (formerly
James C. Bell 90-1/2
5. D. C. Wharton Smith's "Glencove prop-
erty" (55 acres)
 - (a) The easement to back the river
over it 15 feet higher than the
present dam of S. P. Co.
 - (b) A strip 100 ft. wide from the
berme of the Canal and for length
extending through the "Glencove
property, say 5
 - (c) A covenant to purchase the balance of
Glencove property for \$10000. (if im-
paired by operations of S. P. Co. as
a business site) subject to arbitra-
tion.
6. A strip extending entirely through the
San Domingo and Eldrige Farms and
Lime Kiln Lot of Charles A. Andrew
150 ft. Wide from Berme, say 5

7. The old Paper Mill Site and contiguous parcels and islands (some of which are partly in Cecil County) including the strips purchased from Worthington heirs and Smith (Shure parcel). 328-1/2
8. Contract with Allen for the purchase of the McCausland title to several unlocatable islands, say 20

(B.) Cecil County:

1. The Garber farm opposite the Paper Mill Site, 141-1/2
2. Parcel contiguous to Garber purchased from The Propr's etc., 16
3. Contract for purchase from Allen of his Flint Mill and water rights on Conowingo Creek, 5

(C) Pennsylvania (York County)

Contract with Allen for purchase of the Cromwell heirs parcel--Lower Chanceford, 20-1/2

EXHIBIT B.

Property and water rights of the

Susquehanna Electric Power

Company and

Susquehanna River Electric Company of Baltimore City

in Maryland.

(A.) Harford County:

Acres.

1. "John's Design" $3\frac{1}{4}$ undivided interest,
say 7-8/10
2. Whiteford's Landing (the part lying
between Canal and river) say, 2
3. Contract for purchase of the Trenton
Flint Spar Co. lands 330
4. Contract for purchase of the Winfield
S. Shure parcel, 26
5. "Maidens Mount Addition" and seven (7)
Islands, $46\frac{1}{2}$ a. 12 ps. -- $35\frac{3}{4}$ a. 82-1/4
(river bed and islands)
6. Equity in lands lying along and in river
now standing in name of Continental
Trust Co. being Reynolds Shonk Parker
Christy etc. lots.

(B). Harford and Cecil County:

Acres.

1. Contract for purchase of the patent

"New Design" with Barton C. and

Harriet French

166

(river bed and islands.)

(C) Cecil County:

1. Tome Farm,

317

2. Porter's Addition to Triumph"

undivided 1/2 of

20-3/4

3. The French Hotel property

contiguous to "New Design"

25

In Pennsylvania.

A. Eugene M. Haines about

B. Riparian and flowage rights

for distance of 6000 ft. on Lancaster

County side (W. T. Brown

over lands (B. Frank Eshelman.

(Alfred M. Brown.

(Timothy Haines.

EXHIBIT C.

Property and water rights of the
McCall Ferry Power Company
In Maryland.

| (A.) Harford County: | Acres. |
|---|--------|
| ✓ 1. Hugh Dooley parcel | 25 |
| ✓ 2. Daniel Flandis parcel, <i>Loc 12</i> | 2-3/4 |
| ✓ 3. James R. Whiteford parcel | 14 |
| ✓ 4. Farmer's Warehouse parcel, | 11-1/2 |
| ✓ 5. Sarah E. Orr parcel, | 52-3/4 |
| ✓ 6. "John's Design" 1/4 undivided interest (the whole contains 10-1/2 a. 26 sq. ps.) say | 2-5/10 |
| ✓ 7. Tidewater Canal property, | |
| (a) The Canal, 47 a. --- 53 a. | 100 |
| (b) Archer's Island, | 27 |
| (c) Havre de Grace Lots, square 188) square 208) square 209) say | 50 |
| ✓ 8. Easement and power to flood and destroy Housman's railroad. | |
| ✓ 9. Easement and power to flood Conowingo Bridge Co. | |
| ✓ 10. Grace Shure parcel (below Harlow's proposed dam) | 3-6/10 |

(B.) Harford and Cecil County.

Acres.

- ✓ 1. Patent "Progress" bed of river, 329-1/2
- ✓ 2. Patent "New Enterprise" do. 1065-1/2

(C.) Cecil County:

- 1. The Prop'rs Susquehanna Canal,

77 a. --43 a.

120

- 2. Conowingo Land Co.

say undivided 2/3 of

850

- 3. "Poster's Addition to Triumph"

undivided 1/2 in Conowingo L. Co.,

20-3/4

EXHIBIT C.

Starts at Dam Line

McCall

Property Left Bank --East Side.
PENNSYLVANIA.

Former
Owner

Frontage.
Foot Cully Falls

Title.

Smiley & McCall

2300 feet

Fee

D. H. Wissler

3100 "

Mary Cutter

2000 "

H. C. Demuth

1420 "

Alvan Cutler

1700 "

W. A. Brown

3220 "

Wm. Sweigert

1250 "

Emil Sechler

4000 "

Rosanna Long

1180 "

Thomas McSparran

2460 "

Taylor Sprout

1920 "

Right Bank--West Side

Foot Cully's

H. McCall & McCall F. P. Co.

2750

Each holds 1/2 int.

John Scott

500

M. Craig tract west of Canal back of this owned by
McCall Ferry Power Co.

Mud Island

700

Cold Cabin

1130

R. & L. Robinson

3440

L. H. Semple

3500

Wiley or

McLachlan

2050

J. Osmun

580

Chas. Cooper tract

2550

Levi Cooper

5700

Thos. J. Cooper

750

Islands: lying between Cully's Falls
and State line owned by McCall
Co.

Upper Bare

Lower Bare

Big Chestnut

Johnson

High or Bench (?)

THIS AGREEMENT made on this, the 30th day of June in the year nineteen hundred and eight, by and among JOEL H. DEVICTOR, acting on behalf of himself and all other shareholders of the SUSQUEHANNA POWER COMPANY, as party of the first part; JOHN HENRY MILLER and WILLIAM H. BURRATT, acting on behalf of themselves and their associates controlling the SUSQUEHANNA ELECTRIC POWER COMPANY interests, as parties of the second part; and BERTON, STORRS & GRISCOM, acting on behalf of themselves and shareholders representing a majority in interest and controlling the McCALL FERRY POWER COMPANY, as parties of the third part.

WHEREAS the parties hereto have heretofore made an Agreement, under date of February 20th, 1908, a copy of which is hereby made a part of this Agreement; and

WHEREAS it has since become apparent that in making said Agreement the parties thereto failed to make proper provision to enable them to meet the preliminary charges and expenses necessary to make the hydro-electric development contemplated by said Agreement; and

WHEREAS the party of the first part thereto has requested that clauses Fifth and Sixth of said Agreement be modified as hereinafter mentioned; and also that the requirement as a condition precedent to the carrying out of said Agreement, that said party of the first part take up and retire the first and second mortgage bonds of the Susquehanna Power Company, amounting in the aggregate to one hundred and fifty thousand dollars, be waived;

NOW, THEREFORE, in consideration of the premises and the desire of the parties hereto to make provision as hereinbefore referred to, to meet the expenses of said development and to grant the request of the said party

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of the first part and the sum of ten dollars, the said parties hereto agree as follows:

FIRST: The first and second mortgages on the Susquehanna Power Company property not to exceed in the aggregate one hundred and fifty thousand dollars shall not be required to be released, as a condition precedent to the carrying of said Agreement into effect, but in lieu thereof there shall be held by the Girard Trust Company, Trustee, one hundred and fifty thousand dollars of the bonds provided to be paid to the said Joel H. DeVictor and his associates.

SECOND: There shall be issued to the said Joel H. DeVictor in addition to the bonds by said Agreement provided, one hundred and ninety-five thousand dollars of the general mortgage bonds of the Susquehanna Power Company and to Miller and Surratt parties of the second part an additional one hundred and sixty-two thousand dollars of said bonds and to Bertron, Storrs & Griscom an additional two hundred and sixty-eight thousand dollars of said bonds, which bonds excepting twelve thousand five hundred dollars to be retained by Miller and Surratt and twenty-one thousand dollars to be retained by Bertron, Storrs & Griscom as their respective absolute property, shall as soon as received by the said parties respectively be transferred and delivered to Joel H. DeVictor and S. Reading Bertron, Trustees under said Agreement, for the purpose of using said bonds to meet said preliminary charges and expenses and also to further the interests of the parties to said Agreement of February 20th, 1908, and their associates in the Susquehanna Power Company in such manner as to the said Trustees may seem right, proper and expedient without any

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responsibility on the part of the said Trustees to account for the use or application of said bonds to any person or persons whomsoever, except by the request of a majority in interest of the parties to said afore-mentioned Agreement of February 20th, 1908.

THIRD: Paragraph "SIXTH" of said Agreement shall be modified by striking out from the end of said paragraph the words: "or by a vote of a majority of the stock so deposited with them" and substituting in lieu thereof "or by a vote of five-sevenths (5/7) of the directors of the Susquehanna Power Company", and the latter part of Paragraph EIGHTH of said Agreement, Page 6, referring to the successors of said Trustees in the event of their death or resignation, shall be modified to read as follows: "In the event of the death or resignation of Joel H. DeVictor as Trustee hereunder, the shareholders represented by the said Joel H. DeVictor shall name his successor in the trust, and in like manner in the event of the death or resignation of S. R. Bertron as Trustee hereunder, the shareholders represented by the said S. R. Bertron shall name his successor in the trust."

FOURTH: It is furthermore agreed that there shall be elected as Directors of the "Holding Company" one representative of each of the three parties to said Agreement of February 20th, 1908, and should the Directors of said Holding Company be more than three in number then such number shall be increased in such manner as to always maintain in said Board an odd number, and the representation of the parties of the first part and the parties of the third part on the Board of Directors of said Holding Company shall always be equal.

FIFTH: Except as herein expressly modified, all

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of the terms and provisions of the Agreement of February 20th, 1908, are expressly ratified and confirmed.

AS WITNESS the hands and seals of the parties hereto the day and year first above written.

TEST:- as to all

BERTHA A. LOCKARD.

JOEL H. DeVICTOR (SEAL)
Acting on behalf of himself and
all other shareholders of the
Susquehanna Power Company.

JOHN HENRY MILLER (SEAL)
WM. H. SURRATT (SEAL)
Acting on behalf of themselves
and their associates controll-
ing the Susquehanna Electric
Power Company interests.

----- (SEAL)

BY- ----- (SEAL)

A member of said firm--
Acting on behalf of themselves
and shareholders representing a
majority in interest and controll-
ing the McCall Ferry Power Company.

Baltimore, July 1st/08.

Mr. Joel H. DeVictor,

Dear Sir,

We having, by a Supplementary Agreement waived the requirement of the payment of the first and second mortgages of the Susquehanna Power Company as a condition precedent to the carrying out of the terms of our arrangement and Contract of February 20, 1908, with you; and being now advised, that there are sundry debts due and owing by the Susquehanna Power Company and the Maryland Construction Company, aggregating sixty thousand nine hundred and eighty-six dollars and sixty-six cents (\$60,986.66) a schedule whereof, duly initialed by you, has been handed to Francis T. Homer, we beg to state that if you will turn over or cause to be turned over to Mr. Homer sixty-one (61) of the General Mortgage Thirty Year Five Per Cent. Gold Bonds of the Susquehanna Power Company of the par value of one thousand dollars (\$1,000.00) each to be applied by him in an effort to compromise and settle said claims, that we are agreeable to the Contract of February 20, 1908 and the Supplement thereto of June 30, 1908 being carried out upon the understanding that we waive any personal obligation or liability on your part to secure a settlement and adjustment of the aforementioned indebtedness of \$60,986.66 - it being understood, however, that neither we nor Mr. Homer are to assume any personal liability to see said debts paid, except to the extent that and so far as the same can be liquidated through the medium of said sixty-one bonds or the proceeds thereof.

Very truly yours,

Bertron, Storrs & Griscom
by Rodman E. Griscom
WM. H. SURREATT
JOHN HENRY MILLER.

SCHEDULE B.

SUSQUEHANNA POWER COMPANY CREDITORS.

| | |
|--|-----------|
| Notes outstanding | 8,202.70 |
| James H. Harlow | 1,000.00 |
| Joel H. DeVetter | 693.74 |
| W. H. Allen, Jr. | 180.00 |
| L. H. Weddrep | 148.00 |
| B. Harvey Welch | 1,397.92 |
| Morgan & Lewis, Sundry expense account | 312.14 |
| Morgan & Lewis | 14,500.00 |
| Philip H. Gless | 1,075.00 |
| Sheriff, Harford County | 620.35 |
| Sheriff, Cecil County | 393.05 |
| Allen, Lane & Scott | 75.00 |
| R. S. Joyce & Co. | 7.00 |
| Conowinge Bridge Co. | 15.30 |
| Girard Trust Co. | 188.25 |
| F. A. C. Perrine | 1,207.62 |
| S. A. Williams | 2,163.40 |
| Trust Co. of North America | 5.00 |
| W. A. Caldwell | 92.50 |
| A. F. Shure | 45.75 |
| O. W. Love | 45.22 |
| J. Hayward Harlow | 263.50 |
| James H. Harlow | 5,522.06 |
| Robinson | 5,000.00 |
| Carver | 500.00 |
| Harlan | 500.00 |
| Warburton | 1,000.00 |
| B. B. Warner | 1,000.00 |
| L. H. Weddrep | 500.00 |
| Sundry small accounts | 1,700.00 |
| American Bank Note Company | 48,351.50 |
| | 3,750.00 |
| | 52,101.50 |

Agreement for Sale of Susquehanna Power Company
Bonds etc.

THIS AGREEMENT, made this *5th* day of *March* 1922, by and between PENNSYLVANIA WATER & POWER COMPANY, as party of the first part, hereinafter called "The Pennsylvania Company", and BERTON, GRISCOM & JONES, of New York City, the SUSQUEHANNA POWER COMPANY, a corporation of Maryland, and the SOWEGO WATER & POWER COMPANY, a corporation of Pennsylvania, as parties of the second part, hereinafter called the "Purchasers".

W I T N E S S E T H :

That for and in consideration of the sum of One Dollar, by each of the parties hereto to the other in hand paid, the receipt whereof is hereby acknowledged, and of the mutual covenants hereinafter contained, and for divers other valuable considerations as follows:

FIRST: The Pennsylvania Company covenants and agrees:

(a) To sell at any time within sixty days from the date hereof to the Purchasers 703 of the General Mortgage Five Per Cent. Thirty Year Gold Bonds of the Susquehanna Power Company, of the principal value of \$1,000 each, with the coupon maturing November 1st, 1928, and all subsequent coupons attached, and also 1,500 shares of the Susquehanna Properties Company capital stock, of the par value of \$1.00 per share, at and for the price or sum of \$200,000. in cash, of which said sum \$10,000. has been paid at the time of the signing hereof and the receipt whereof is hereby acknowledged.

(b) To accept and retain, as liquidated damages for a breach of this contract of sale the said \$10,000. paid contemporaneously herewith should the Purchasers fail to pay the balance of \$190,000 within the time aforesaid.

(c) The Purchasers shall not be entitled to carry out the terms of the purchase hereunder except upon condition that they will at the same time take over from the Pennsylvania Company the Conowingo Land Company mortgage at the principal value thereof, with all interest in arrears, and the reasonable cost to the Pennsylvania Company thus far incurred in its foreclosure suit under the said mortgage now pending in the Circuit Court of Cecil County, Maryland, including attorney's fees and all other expenses.

(d) The Columbia & Port Deposit Railway Company and the Philadelphia, Baltimore & Washington Railroad Company entered into with the McCall Ferry Power Company, an agreement, dated July 2nd, 1906, and a supplemental agreement, dated August 13th, 1906, providing for the relocation and improvement of a part of the roadbed, tracks, and appurtenances of said railway company, in pursuance whereof said relocated and improved roadbed, track and appurtenances have been completed between Safe Harbor in Lancaster County, Pa., and a point 850 feet south of Fishing Creek Station in said County and State.

By agreement dated March 24th, 1908, between said railway and railroad companies respectively, and the Susquehanna Power Company, a corporation of Maryland, an assignment of the benefits of said contract, with certain modifications, was assented to by said railway and railroad companies, and said Susquehanna Power Company accepted by said companies as obligor in lieu and place of said McCall Ferry Power Company.

The purchasers shall not be entitled to a delivery of the 703 5% general mortgage gold bonds of the Susquehanna Power Company of the principal value of \$1000.

each with coupons attached as hereinbefore mentioned, or of the 1500 shares of the capital stock of the Susquehanna Properties Company, although the balance of purchase price, \$190,000. shall have been paid in full, until they shall have secured either a release to be executed to the Pennsylvania Company by said railway and railroad companies respectively, releasing and discharging the said Pennsylvania Company from any and all liability whatsoever upon or by reason of the aforementioned agreement and supplemental agreement, dated July 2nd, 1906, and August 13th, 1906, respectively, in so far as the same apply to the relocation and improvement of the right of way, road-bed, track and appurtenances of the said railway company south of a point 850 feet south of Fishing Creek Station as in said agreement and supplemental agreement mentioned; or, alternately, give to the Pennsylvania Company a bond with either the Susquehanna Power Company, its successors or assigns, or the Sewego Water & Power Company, its successor or assigns, as principal, and an existing surety company, as surety, in the penalty of \$100,000. conditioned to indemnify and save harmless the said Pennsylvania Company, its successors and assigns, in the same manner as if the foregoing release had been executed and delivered by said railway and railroad company, which said bond shall remain in full force and virtue in law until the Susquehanna Power Company, its successors or assigns, shall have relocated and improved said roadbed, track and appurtenances from a point 850 feet south of Fishing Creek Station, in accordance with the obligations, if any, resting upon the Pennsylvania Company as assignee of the purchaser of the property, franchises and privileges of the McCall Ferry Power Company at the sale had in pursuance of the foreclosure of the first mortgage bonds of the said McCall Ferry Power Company, or until said bonds shall be

discharged by the furnishing of a release or releases as hereinbefore provided.

SECOND: The Purchasers covenant and agree that they will within sixty days from the date hereof:

(a) Pay the balance of \$190,000. for the said 703 of the General Mortgage Five Per Cent. Thirty Year Gold Bonds of the Susquehanna Power Company, of the principal value of \$1,000. each, with the aforementioned coupons attached, and the said 1,500 shares of Susquehanna Properties Company stock.

(b) Will purchase the Conowingo Land Company mortgage aforesaid at the principal value thereof, with the accrued unpaid interest thereon, and will reimburse the said Pennsylvania Company for its reasonable cost incurred in the aforementioned foreclosure suit, including attorney's fees and all other expenses, and that upon the failure of their performance of either (a) or (b) or both of them they will forfeit as liquidated damages to the Pennsylvania Company the \$10,000. this day by them hereunder paid.

(c) The purchasers covenant and agree not to demand a delivery of the aforementioned bonds and shares of stock until they shall have complied with the provisions of Paragraph 1, Sub-Paragraph d., hereof, but assent to the holding of said bonds and stock by the Pennsylvania Company as security for the performance of one or the other alternatives set forth in said Paragraph 1, Sub-Paragraph d., as a condition to the right of said purchasers to demand delivery of said bonds and stock.

THIRD: The Pennsylvania Company covenants and agrees to permit the purchasers to defend any suit or suits brought against the Pennsylvania Company under said Agreement of July 2nd, 1906 and supplement thereto of August 13, 1906, at their, the said purchasers own expense and to furnish said purchasers and their attorneys with all documents, agreements, correspondence and evidence in the possession of the said Pennsylvania Company and to ; facilitate and assist the said purchasers and their attorneys, without further compensation in defending any such suit or suits..

IN WITNESS WHEREOF, the parties hereto have duly executed this agreement in duplicate originals under their respective seals.

PENNSYLVANIA WATER & POWER COMPANY

Chas. E. Clark
President.

ATTEST:

Wm. Smith
Secretary.

Arthur P. Mason & Sons

Wm. Kolstad

SUSQUEHANNA POWER COMPANY,

George R. Willis
President.

ATTEST:

Chas. F. Schumacher
Sowego Water & Power Co.

SOWEGO WATER & POWER CO..

Fred McMillan
President.

ATTEST:

S. D. Coleman Sowego Water & Power Co.